

NEWLANDS ADVENTURE CENTRE LIMITED

UNAUDITED
FINANCIAL STATEMENTS

31 MARCH 2017



ArmstrongWatson®

Accountants, Business & Financial Advisers

NEWLANDS ADVENTURE CENTRE LIMITED
REGISTERED NUMBER: 03860594

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	4	9,036	18,072
Tangible assets	5	61,631	54,483
		<u>70,667</u>	<u>72,555</u>
Current assets			
Stocks	6	4,253	4,435
Debtors: amounts falling due within one year	7	383,280	149,051
Cash at bank and in hand	8	88,064	63,777
		<u>475,597</u>	<u>217,263</u>
Creditors: amounts falling due within one year	9	(449,971)	(228,211)
Net current assets/(liabilities)		<u>25,626</u>	<u>(10,948)</u>
Total assets less current liabilities		<u>96,293</u>	<u>61,607</u>
Creditors: amounts falling due after more than one year	10	-	(5,042)
Provisions for liabilities			
Deferred tax	12	(10,477)	(9,807)
		<u>(10,477)</u>	<u>(9,807)</u>
Net assets		<u><u>85,816</u></u>	<u><u>46,758</u></u>

NEWLANDS ADVENTURE CENTRE LIMITED
REGISTERED NUMBER: 03860594

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2017

	Note	2017 £	2016 £
Capital and reserves			
Called up share capital		4,500	4,500
Profit and loss account		81,316	42,258
		<u>85,816</u>	<u>46,758</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

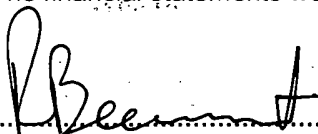
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

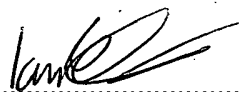
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
Mr R Beament
Director


.....
Mr I Brooks
Director

Date: 13.06.17

The notes on pages 3 to 10 form part of these financial statements.

NEWLANDS ADVENTURE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

Newlands Adventure Centre is a limited liability company incorporated in England. The Registered office is Stair, Newlands, Keswick, Cumbria, CA12 5UF. The company's principal activities is that of an adventure centre and youth hostel.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NEWLANDS ADVENTURE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.3 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of income and retained earnings over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Plant and machinery	- 33% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

NEWLANDS ADVENTURE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of income and retained earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.10 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2015 to continue to be charged over the period to the first market rent review rather than the term of the lease.

NEWLANDS ADVENTURE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.13 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Employees

The average monthly number of employees, including directors, during the year was 13 (2016 - 14).

NEWLANDS ADVENTURE CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

4. Intangible assets

	Goodwill £
Cost	
At 1 April 2016	100,400
At 31 March 2017	100,400
Amortisation	
At 1 April 2016	82,328
Charge for the year	9,036
At 31 March 2017	91,364
Net book value	
At 31 March 2017	9,036
At 31 March 2016	18,072

5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2016	53,369	52,090	32,707	138,166
Additions	7,019	15,390	4,049	26,458
Disposals	-	(5,000)	-	(5,000)
At 31 March 2017	60,388	62,480	36,756	159,624
Depreciation				
At 1 April 2016	39,604	16,976	27,103	83,683
Charge for the year on owned assets	5,731	7,461	1,964	15,156
Charge for the year on financed assets	-	3,366	-	3,366
Disposals	-	(4,212)	-	(4,212)
At 31 March 2017	45,335	23,591	29,067	97,993
Net book value				
At 31 March 2017	15,053	38,889	7,689	61,631
At 31 March 2016	13,765	35,114	5,604	54,483

NEWLANDS ADVENTURE CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

6. Stocks

	2017 £	2016 £
Raw materials and consumables	4,253	4,435
	<u>4,253</u>	<u>4,435</u>

7. Debtors

	2017 £	2016 £
Trade debtors	342,381	135,891
Amounts owed by group undertakings	35,122	-
Prepayments and accrued income	5,777	13,160
	<u>383,280</u>	<u>149,051</u>

8. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	88,064	63,777
	<u>88,064</u>	<u>63,777</u>

9. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	6,357	7,215
Amounts owed to group undertakings	-	4,521
Corporation tax	12,904	1,867
Other taxation and social security	67,763	26,788
Obligations under finance lease and hire purchase contracts	5,042	5,500
Accruals and deferred income	357,905	182,320
	<u>449,971</u>	<u>228,211</u>

NEWLANDS ADVENTURE CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

10. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	-	5,042
	<u>-</u>	<u>5,042</u>

Secured loans

Net obligations under finance leases and hire purchase contracts amounting to £5,042 (2016 - £10,542) are secured by the company.

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	5,042	5,500
Between 1-2 years	-	5,042
	<u>5,042</u>	<u>10,542</u>

12. Deferred taxation

	2017 £
At beginning of year	(9,807)
Charged to profit or loss	(670)
At end of year	<u>(10,477)</u>

The provision for deferred taxation is made up as follows:

	2017 £
Accelerated capital allowances	(10,477)
	<u>(10,477)</u>

13. Related party transactions

During the year the company paid management charges of £64,800 (2016 - £64,800) and dividends of £10,000 (2016 - £Nil) to Stair Mill Adventures Limited, its parent undertaking. At the balance sheet date the company was owed £35,122 by (2015 - £4,521 owed to) Stair Mill Adventures Limited.

NEWLANDS ADVENTURE CENTRE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

14. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.